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CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 2429

Introduced by Assembly Member Negrete McLeod
(Principal coauthor: Assembly Member Matthews)
(Coauthors: Assembly Members Bermudez, Chavez,
Shirley Horton, Houston, Jones, and Koretz)
(Coauthor: Senator Cox)

February 23, 2006

An act to amend Sections 10151, 10153.3, 10153.4, and 10153.5 of, and to repeal Section 10153.9 of, the Business and Professions Code, relating to real estate salespersons.

LEGISLATIVE COUNSEL'S DIGEST

AB 2429, as amended, Negrete McLeod. Real estate salespersons: licensure.

Existing law, the Real Estate Law, provides for the licensure and regulation of real estate salespersons by the Department of Real Estate. Under that law, a person may apply to take the real estate salesperson license examination upon demonstrating, as specified, to the Real Estate Commissioner enrollment in, or completion of, a real estate principles course and, after passing the examination, is required to submit to the commissioner evidence of the successful completion

of specified courses in real estate either prior to issuance of the license or within 18 months after its issuance.

This bill would require a person whose application for licensure or for the licensure examination or for both is received by the commissioner on or after October 1, 2007, to demonstrate, as specified, completion of the real estate principles course as well as the other specified real estate courses required for licensure before taking the real estate salesperson license examination. *The bill would waive these requirements for members of the State Bar of California and applicants who qualified to take the original real estate broker licensure examination by satisfying certain requirements.* The bill would also specify requirements for persons whose applications are received by the commissioner prior to October 1, 2007.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10151 of the Business and Professions
- 2 Code is amended to read:
- 3 10151. (a) Application for the real estate salesperson license
- 4 examination shall be made in writing to the commissioner. The
- 5 commissioner may prescribe the format and content of the
- 6 salesperson examination application. The application for the
- 7 salesperson examination shall be accompanied by the real estate
- 8 salesperson license examination fee.
- 9 (b) Persons who have been notified by the commissioner that
- 10 they passed the real estate salesperson license examination may
- 11 apply for a real estate salesperson license. A person applying for
- 12 the salesperson examination may also apply for a real estate
- 13 salesperson license. However, a license shall not be issued until
- 14 the applicant passes the real estate salesperson license
- 15 examination. If there is any change to the information contained
- 16 in a real estate salesperson license application after the
- 17 application has been submitted and before the license has been
- 18 issued, the commissioner may require the applicant to submit a
- 19 supplement to the application listing the changed information.
- 20 (c) An application for the real estate salesperson license
- 21 examination or for both the examination and license that is
- 22 received by the commissioner on or after October 1, 2007, shall

1 include evidence or certification, satisfactory to the
2 commissioner, of successful completion at an accredited
3 institution of a three semester unit course, or the quarter
4 equivalent thereof, *or successful completion of an equivalent*
5 *course of study as defined in Section 10153.5*, in real estate
6 principles as well as the successful completion at an accredited
7 institution of a course in real estate practice and one additional
8 course set forth in Section 10153.2, other than real estate
9 principles, real estate practice, advanced legal aspects of real
10 estate, advanced real estate finance, or advanced real estate
11 appraisal. The applicant shall provide this evidence or
12 certification to the commissioner prior to taking the real estate
13 salesperson license examination.

14 *(d) The commissioner shall waive the requirements of this*
15 *section for the following applicants:*

16 *(1) An applicant who is a member of the State Bar of*
17 *California.*

18 *(2) An applicant who has qualified to take the examination for*
19 *an original real estate broker license by satisfying the*
20 *requirements of Section 10153.2.*

21 SEC. 2. Section 10153.3 of the Business and Professions
22 Code is amended to read:

23 10153.3. (a) This section shall apply to an application for the
24 real estate salesperson license examination, the real estate
25 salesperson license, and for both the examination and license
26 received by the commissioner prior to October 1, 2007.

27 (b) Application for the real estate salesperson license
28 examination pursuant to this section shall be made in writing to
29 the commissioner. The commissioner may prescribe the format
30 and content of the salesperson examination application. The
31 application for the salesperson examination shall be accompanied
32 by the real estate salesperson license examination fee.

33 (c) In order to take the examination for a real estate
34 salesperson license, an applicant under this section shall submit
35 evidence or certification satisfactory to the commissioner of
36 enrollment in, or successful completion at, an accredited
37 institution of a three-semester unit course, or the quarter
38 equivalent thereof, *or successful completion of an equivalent*
39 *course of study as defined in Section 10153.5*, in real estate
40 principles. Evidence of enrollment satisfactory to the

1 commissioner may include a statement from the applicant made
2 under penalty of perjury.

3 (d) An applicant under this section may take the real estate
4 salesperson license examination within two years of the date his
5 or her application was received by the commissioner.
6 Notwithstanding subdivision (c), if the applicant fails to ~~take the~~
7 *schedule an* examination or to obtain a passing score on it within
8 that time period, he or she shall be required to submit evidence or
9 certification satisfactory to the commissioner of satisfactory
10 completion at an accredited institution of the courses described in
11 subdivision (c) of Section 10151 *or satisfactory completion of an*
12 *equivalent course of study as defined in Section 10153.5*, before
13 taking the examination.

14 (e) An applicant under this section shall, prior to issuance of
15 the real estate salesperson license, submit evidence or
16 certification satisfactory to the commissioner of successful
17 completion of the real estate principles course as described in
18 subdivision (c) and of successful completion at an accredited
19 institution *or successful completion of an equivalent course of*
20 *study as defined in Section 10153.5*, of a course in real estate
21 practice and one additional course set forth in Section 10153.2
22 other than real estate principles, real estate practice, advanced
23 legal aspects of real estate, advanced real estate finance, or
24 advanced real estate appraisal.

25 (f) The commissioner shall waive the requirements of this
26 section for an applicant who is a member of the State Bar of
27 California, or who has completed an equivalent course of study,
28 as determined under Section 10153.5, or who has qualified to
29 take the examination for an original real estate broker license by
30 satisfying the requirements of Section 10153.2.

31 SEC. 3. Section 10153.4 of the Business and Professions
32 Code is amended to read:

33 10153.4. (a) This section shall apply to an application for the
34 real estate salesperson license examination, the real estate
35 salesperson license, and for both the examination and license
36 received by the commissioner prior to October 1, 2007, if the
37 applicant obtains a passing score on the real estate salesperson
38 license examination *and submits a license application* prior to
39 October 1, 2007.

1 (b) Application for the real estate salesperson license
2 examination pursuant to this section shall be made in writing to
3 the commissioner. The commissioner may prescribe the format
4 and content of the salesperson examination application. The
5 application for the salesperson examination shall be accompanied
6 by the real estate salesperson license examination fee.

7 (c) An applicant under this section shall comply with the
8 requirements of subdivision (c) of Section 10153.3 in order to
9 take the real estate salesperson license examination.

10 (d) An applicant under this section who obtains a passing
11 score on the real estate salesperson license examination prior to
12 October 1, 2007, shall, prior to the issuance of the real estate
13 salesperson license, *submit evidence or certification satisfactory*
14 *to the commissioner of successful completion at an accredited*
15 *institution of a three semester unit course, or the quarter unit*
16 *equivalent thereof, or successful completion of an equivalent*
17 *course of study as defined in Section 10153.5, in real estate*
18 *principles as described in subdivision (c) of Section 10153.3. An*
19 *applicant for an original real estate salesperson license under*
20 *this section shall also, prior to the issuance of the license, or*
21 *within 18 months after issuance, submit evidence or certification*
22 *satisfactory to the commissioner of successful completion of the*
23 ~~real estate principles course as described in subdivision (c) of~~
24 ~~Section 10153.3 and the successful completion at an accredited~~
25 *completion at an accredited institution or a private vocational*
26 *school, as specified in Section 10153.5, of a course in real estate*
27 *practice and one additional course set forth in Section 10153.2,*
28 *other than real estate principles, real estate practice, advanced*
29 *legal aspects of real estate, advanced real estate finance, or*
30 *advanced real estate appraisal.*

31 (e) A salesperson who qualifies for a license pursuant to this
32 section shall not be required for the first license renewal
33 thereafter to complete the continuing education pursuant to
34 Article 2.5 (commencing with Section 10170), except for the
35 courses specified in paragraphs (1) to (4), inclusive, of
36 subdivision (a) of Section 10170.5 or, on and after July 1, 2007,
37 except for the courses specified in paragraphs (1) to (5),
38 inclusive, of subdivision (a) of Section 10170.5.

39 (f) The salesperson license issued to an applicant who has
40 satisfied only the requirements of subdivision (c) at the time of

1 issuance shall be automatically suspended effective 18 months
2 after issuance if the licensee has failed to satisfy the requirements
3 of subdivision (d). The suspension shall not be lifted until the
4 suspended licensee has submitted the required evidence of course
5 completion and the commissioner has given written notice to the
6 licensee of the lifting of the suspension.

7 (g) The original license issued to a salesperson shall clearly set
8 forth the conditions of the license and shall be accompanied by a
9 notice of the provisions of this section and of any regulations
10 adopted by the commissioner to implement this section.

11 (h) The commissioner shall waive the requirements of this
12 section for any person who presents evidence of admission to the
13 State Bar of California, and the commissioner shall waive the
14 requirement for any course for which an applicant has completed
15 an equivalent course of study as determined under Section
16 10153.5.

17 SEC. 4. Section 10153.5 of the Business and Professions
18 Code is amended to read:

19 10153.5. As used in Sections 10151, 10153.2, 10153.3, and
20 10153.4, “an equivalent course of study” ~~includes~~ *consists of*
21 courses at a private vocational school that have been found by the
22 commissioner, upon consideration of an application for approval,
23 to be equivalent in quality to the real estate courses offered by
24 the colleges and universities accredited by the Western
25 Association of Schools and Colleges.

26 As used in Sections 10151, 10153.2, 10153.3, and 10153.4,
27 “accredited institution” shall mean a college or university that
28 either:

29 (a) Is accredited by the Western Association of Schools and
30 Colleges, or by any other regional accrediting agency recognized
31 by the United States Department of Education.

32 (b) In the judgment of the commissioner, has a real estate
33 curriculum equivalent in quality to that of the institutions
34 accredited pursuant to subdivision (a).

35 SEC. 5. Section 10153.9 of the Business and Professions
36 Code is repealed.